IN THE UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF OHIO – EASTERN DIVISION

In re: Bobst Collision, Inc. : Case No. 15-51527

:

Debtor : Chapter 11

Judge Hoffman

RESPONSE OF THE STATE OF OHIO BUREAU OF WORKERS' COMPENSATION TO DEBTOR'S OBJECTION TO PROOF OF CLAIM NO. 2 [DOCKET NO. 94]

Now comes Attorney General Mike DeWine, acting through special counsel duly appointed as provided in Ohio Revised Code Section 109.08, on behalf of Creditor the State of Ohio, Bureau of Workers' Compensation ("BWC"), and responds to the Debtor's Objections to the Proof of Claim of BWC [Docket No. 94]. For the reasons set forth in the accompanying Memorandum, Debtor's Objection should be denied.

Respectfully submitted, Mike DeWine, Attorney General of Ohio

/s/ Erin M. Dooley

Charles A. Mifsud (0070498)

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MEMORANDUM

On June 16, 2015, BWC filed its proof of claim no. 2 seeking to recover for noncompliance claim costs and reserves. Debtor broadly objects to BWC's claim stating that it is fraudulent and should not be paid. Debtor's objection is without merit and the claim should be allowed as filed.

Claim no. 2 seeks to recover workers' compensation benefits from the Debtor pursuant to Ohio Revised Code §4123.75. Debtor failed to comply with the obligation to pay workers' compensation premiums as required by O.R.C. §4123.35. Employees suffered injuries during lapses in coverage. Debtor did not appeal BWC's decision to pay the injured worker claims allowing those decisions to become final and payments to be made to the workers. Debtor cannot now seek a second bite at this apple by litigating issues that it failed to raise in the administrative process over seven years ago.

Based on the injuries allowed, BWC paid various medical and indemnity benefits to the injured employees. Pursuant to O.R.C. §4123.75, Debtor is required to reimburse BWC for all of the benefits BWC provided to the injured workers. Claim no. 2 accurately reflects the cost of workers' compensation claims for which the Debtor is liable due to noncompliance with O.R.C. §4123.

Injured Worker Application for Workers' Compensation Benefits ("Claim 1")

Debtor employed an individual who suffered a work related injury on September 7, 2007. On the date of the injury Debtor did not have active workers' compensation coverage and was not compliant with reporting and premium payment obligations under O.R.C. §4123.35. The injured employee filed an application for workers' compensation benefits on September 10, 2007. On September 13, 2007, BWC issued an order allowing the injured worker's claim to be paid. Pursuant to O.R.C. §4123.511 an appeal must be filed within 14 days of receiving the

order allowing the claim. Debtor did not appeal the decision thereby making it final. Debtor has failed to reimburse BWC for the benefits provided to the injured worker.

Injured Worker Application for Workers' Compensation Benefits ("Claim 2")

On March 17, 2009 another employee suffered work related injuries. On the date of the injury Debtor did not have active workers' compensation coverage and was not compliant with reporting and premium payment obligations under O.R.C. §4123.35. The injured employee filed an application for workers' compensation benefits on March 19, 2009. On April 3 2009, BWC issued an order allowing the injured worker's claim to be paid. Again, Debtor did not appeal the decision of BWC to pay the injured worker's claim.

WHEREFORE, for the foregoing reasons, BWC opposes Debtor's Objection and asks that it be denied.

Respectfully submitted, Mike DeWine, Attorney General of Ohio

/s/ Erin M. Dooley

Charles A. Mifsud (0070498)

Special Counsel to the Attorney General

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served electronically through the court's ECF System at the email address registered with the court on this 15th day of April 2016, upon the following:

Jeremy Shane Flannery, Office of the United States Trustee

LeAnn E. Covey, Attorney for Bayview Loan Servicing, LLC

Garry A. Sabol, Attorney for Debtor, Bobst Collision, Inc.

Bethany Hamilton, Attorney for Internal Revenue Service

Brian M. Gianangeli, Attorney for Ohio Department of Taxation

and on the following by ordinary U.S. Mail addressed to:

Bobst Collision, Inc. 2918 Parsons Avenue Columbus, OH 43207

> /s/ Erin M. Dooley Erin M. Dooley (0089092)